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able in bankruptcy and barred by the discharge, *Audubon v. Shufeldt*, 181 U. S. 575; *Wetmore v. Markoe*, 196 U. S. 68; *Thompson v. Thompson*, 226 U. S. 551; *Barclay v. Barclay*, 184 Ill. 375; that the property awarded to the wife as alimony does not become part of her estate in bankruptcy, *In re Le Claire*, (Dist. Ct. N. D. Ia., W. D. 1903) 124 Fed. 654, 658; that alimony awarded to a wife cannot be subjected to the payment of her debts existing prior to the decree of divorce, *Kingman & Co. v. M. A. Carter, et al.*, 8 Kan. App. 46; *Romaine v. Chauncey et al.*, 129 N. Y. 566; *Fickel v. Granger*, 83 Oh. St. 101; that alimony awarded a wife cannot be attached in an action against her, except in an action for such necessities as the husband would have been obliged to furnish, had the marital relation continued, *West v. Washburn*, 138 N. Y. S. 230.

INCOME TAXES—CORPORATIONS—INTERNAL REVENUE.—A corporation owned all the stock of several subsidiary companies. A dividend was received by the main corporation from the subsidiaries. Plaintiff, Internal Revenue Collector, attempted to tax such dividend under the Income Tax Act Oct. 3, 1913, c. 16, 38 Stat. 114. *Held*, taxable as income. *Lewellyn v. Gulf Oil Corp.* (C. C. A. 3rd Cir. 1917) 245 Fed. 1.

Since the Sixteenth Amendment to the Constitution, which gave Congress the power to collect taxes on income from whatever source derived, was held constitutional, *Brushaber v. Union Pacific*, 240 U. S. 1, the question has often arisen what constitutes taxable income of corporations. In *Southern Pacific Co. v. Lowe*, 238 Fed. 847 it was held, where all the stock of a corporation was owned by another corporation which handled the money of the former and kept its accounts, the surplus earned by the former was nevertheless its property, so that a dividend declared was income of the holding corporation. It has been held that where property lying idle, earning no money but having increased to double its original value and sold for such increased value, that a distribution of the proceeds did not constitute a division of "income" within the meaning of the act. *Lynch v. Turrish*, 236 Fed. 653. Money earned as interest and distributed as dividends is without contradiction taxable income. So why not where the property lying idle increases in value and the sale price divided amongst the shareholders? If the original owners of the idle property had continued in possession and had issued stock dividends equal to the increased value of the property, no one would question that it would be taxable income. The decision in *Lynch v. Turrish* is to be reviewed by the Supreme Court. Income is defined to be receipts which constitute an accretion to capital and this would include increased value of idle property. The instant case holds that an ordinary dividend from accumulated earnings is income. The government cannot tax undistributed surplus as income but must wait until it is declared as dividends and paid. This is true whether the dividends be paid to a stockholder or to a holding corporation. *Union Pacific v. Frank*, 226 Fed. 906.

INNKEEPER—IMPLIED WARRANTY—LIABILITY FOR PERSONAL INJURY.—Plaintiff became a guest for reward at defendant's hotel. During the night fire broke out and in endeavoring to escape from the hotel, plaintiff was severely